

State of South Dakota

SEVENTY-NINTH SESSION
LEGISLATIVE ASSEMBLY, 2004

490J0657

HOUSE BILL NO. 1232

Introduced by: Representatives Peterson (Bill), Cutler, and Olson (Ryan) and Senators
McCracken and Abdallah

1 FOR AN ACT ENTITLED, An Act to license manufacturers of wine who hire equipment on
2 their premises to the public for the purpose of making wine, to authorize sales to
3 wholesalers and retailers, to authorize off-sale licenses for those manufacturers, and to
4 impose an excise tax.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

6 Section 1. That § 35-4-2 be amended by adding thereto a NEW SUBDIVISION to read as
7 follows:

8 Nonfarm winery manufacturers of wine - one hundred dollars.

9 Section 2. That § 35-4-2 be amended by adding thereto a NEW SUBDIVISION to read as
10 follows:

11 Off-sale package wine dealers in table wines, sparkling wines, and sacramental wine to be
12 operated in conjunction with a nonfarm winery manufacturer established by section 3 of this Act
13 - one hundred dollars.

14 Section 3. That chapter 35-4 be amended by adding thereto a NEW SECTION to read as
15 follows:



1 The secretary of the Department of Revenue and Regulation may issue a nonfarm winery
2 manufacturer license to the owner or operator of a nonfarm winery who sells wine-making
3 ingredients and supplies to the public, and who hires equipment on its business premises to the
4 public for the purpose of making table wines and sparkling wines for personal consumption.
5 Licenses may be issued and renewed for an annual fee of one hundred dollars, which is in lieu
6 of all other license fees required by chapter 35-4. The fee shall be deposited in the general fund.
7 The holder of a nonfarm winery manufacturer license may also hold on the premises where the
8 wine is produced, an off-sale license issued pursuant to section 2 of this Act.

9 Section 4. That chapter 35-4 be amended by adding thereto a NEW SECTION to read as
10 follows:

11 Notwithstanding the provisions of § 35-4-47 or 35-4-60, a nonfarm winery licensed pursuant
12 to section 3 this Act may sell the wine produced under the license to wholesalers and retailers
13 licensed pursuant to subdivisions 35-4-2(2), (3), (4), (5), (6), (9), (11), (12), (13), and (18).

14 Section 5. That chapter 35-4 be amended by adding thereto a NEW SECTION to read as
15 follows:

16 Wine manufactured for personal consumption by customers of the holder of a nonfarm
17 winery manufacturer license is not subject to the excise tax on table and sparkling wines
18 imposed by chapter 35-5. However, the provisions of §§ 35-12-7 and 35-12-8 apply to all table
19 wines, sparkling wines, and sacramental wine manufactured or produced by the holder of a
20 nonfarm winery manufacturer license.